

Financial Statements of

**DEEP RIVER & DISTRICT  
COMMUNITY FOUNDATION**

Year ended December 31, 2023  
(Unaudited)



Scott Rosien  
Black & Locke  
CHARTERED PROFESSIONAL ACCOUNTANTS

T: 613-735-3981  
F: 613-732-3829  
E: info@srbaccountants.com  
545 Pembroke Street West  
Pembroke ON K8A 5P2

Donald W. Rosien, CPA, CA  
Karen I. Black, CPA, CA  
Roger A. Locke, CPA, CA  
Ryan B. McGauley, CPA, CA  
David M. Scott, CPA, CA - Retired  
scottrosienblacklockeaccountants.com

## INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Directors of Deep River & District Community Foundation

We have reviewed the accompanying financial statements of Deep River & District Community Foundation that comprise the statement of financial position as at December 31, 2023, and the statements of operations, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Deep River & District Community Foundation as at December 31, 2023, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Chartered Professional Accountants  
Licensed Public Accountants

Pembroke, Ontario  
March 27, 2024

# DEEP RIVER & DISTRICT COMMUNITY FOUNDATION

Balance Sheet  
(Unaudited)

December 31, 2023, with comparative figures for 2022



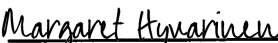
|   |                 |                                 |                                | December 31<br>2023 | December 31<br>2022 |
|---|-----------------|---------------------------------|--------------------------------|---------------------|---------------------|
|   | General<br>Fund | Restricted<br>Funds<br>(note 4) | Endowment<br>Funds<br>(note 5) | Total               | Total               |
| <b>Assets</b>   |                 |                                 |                                |                     |                     |
| <b>Current assets:</b>  |                 |                                 |                                |                     |                     |
| Cash (note 2)   | \$ 40,778       | \$ 110,526                      | \$ -                           | \$ 151,304          | \$ 28,507           |
| Investments (note 3)  | -               | 47,477                          | 1,635,940                      | 1,683,417           | 1,390,149           |
| Government remittances<br>receivable  | 1,183           | -                               | -                              | 1,183               | 887                 |
| Accrued interest receivable   | -               | 773                             | -                              | 773                 | 2,105               |
| Prepaid expenses  | 2,001           | -                               | -                              | 2,001               | 2,749               |
| Current portion of loan<br>receivable   | -               | -                               | -                              | -                   | 4,668               |
|   | 43,962          | 158,776                         | 1,635,940                      | 1,838,678           | 1,429,065           |
| 3% Loan receivable, repayable<br>\$1,189 quarterly including<br>principal and interest, retired | -               | -                               | -                              | -                   | 4,668               |
| Less current portion of loan<br>receivable  | -               | -                               | -                              | -                   | 4,668               |
|   | -               | -                               | -                              | -                   | -                   |
|   | \$ 43,962       | \$ 158,776                      | \$ 1,635,940                   | \$ 1,838,678        | \$ 1,429,065        |

## Liabilities and Fund Balances

|   |           |            |              |              |              |
|---|-----------|------------|--------------|--------------|--------------|
| <b>Current liabilities:</b>                 |           |            |              |              |              |
| Accounts payable and<br>accrued liabilities | \$ 5,614  | \$ -       | \$ -         | \$ 5,614     | \$ 4,879     |
| Deferred donations                          | -         | -          | -            | -            | -            |
|   | 5,614     | -          | -            | 5,614        | 4,879        |
| <b>Fund balances:</b>                       |           |            |              |              |              |
| Restricted                                  | -         | 158,776    | 1,635,940    | 1,794,716    | 1,399,578    |
| Unrestricted Funds                          | 38,348    | -          | -            | 38,348       | 24,608       |
|   | 38,348    | 158,776    | 1,635,940    | 1,833,064    | 1,424,186    |
|   | \$ 43,962 | \$ 158,776 | \$ 1,635,940 | \$ 1,838,678 | \$ 1,429,065 |

See accompanying notes to financial statements.

On behalf of the Board:

|  |           |   |          |
|--|-----------|---|----------|
| DocuSigned by:<br><br>DocuSigned by:<br>D476... | Director  | DocuSigned by:<br><br>FCD5F34121F847C... | Director |
| <br>CE8B2AB53804475...                          | Treasurer |   |          |

# DEEP RIVER & DISTRICT COMMUNITY FOUNDATION

## Statement of Operations (Unaudited)

Year ended December 31, 2023, with comparative figures for 2022

| Fund   | General Funds    |                   | Restricted Funds  |                     | Endowment         |                  |
|--|------------------|-------------------|-------------------|---------------------|-------------------|------------------|
|  | 2023             | 2022              | 2023              | 2022                | 2023              | 2022             |
| <b>Revenue:</b>  |                  |                   |                   |                     |                   |                  |
| Donations  | \$ -             | \$ -              | \$ 74,048         | \$ 17,588           | \$ 278,049        | \$ 42,433        |
| Interest and dividends   | 32               | -                 | 42,604            | 33,973              | -                 | -                |
| Realized gain (loss)<br>on investments                         | -                | -                 | 35,764            | (19,160)            | -                 | -                |
| Unrealized gain (loss)<br>on investments                       | -                | -                 | 112,400           | (183,998)           | -                 | -                |
| Operating fund<br>income                                       | 38,880           | 14,633            | -                 | -                   | -                 | -                |
| Fundraising income   | -                | -                 | 14,149            | 14,665              | 9,633             | 5,350            |
|  | <b>38,912</b>    | <b>14,633</b>     | <b>278,965</b>    | <b>(136,932)</b>    | <b>287,682</b>    | <b>47,783</b>    |
| <b>Expenses:</b>   |                  |                   |                   |                     |                   |                  |
| <b>Charitable</b>  |                  |                   |                   |                     |                   |                  |
| disbursements  | -                | -                 | 104,190           | 69,325              | -                 | -                |
| Operating fund expense   | -                | -                 | 38,880            | 14,633              | -                 | -                |
| Investment counsel fees  | -                | -                 | 13,032            | 15,761              | -                 | -                |
| Office supplies  | 609              | 383               | 106               | 182                 | -                 | -                |
| <b>Professional</b>  |                  |                   |                   |                     |                   |                  |
| fees (note 7)  | 23,053           | 19,009            | 3,947             | -                   | -                 | -                |
| Advertising  | 3,132            | 3,491             | 2,308             | -                   | -                 | -                |
| Conferences and training                                       | 453              | 180               | 395               | -                   | -                 | -                |
| Fees and dues  | 499              | 462               | -                 | -                   | -                 | -                |
| Fundraising expenses   | -                | -                 | 5,160             | 9,651               | -                 | -                |
| Insurance  | 917              | 453               | -                 | 301                 | -                 | -                |
|  | <b>28,663</b>    | <b>23,978</b>     | <b>168,018</b>    | <b>109,853</b>      | <b>-</b>          | <b>-</b>         |
| <b>Excess of revenue over expenses (expenses over revenue)</b> |                  |                   |                   |                     |                   |                  |
|  | <b>\$ 10,249</b> | <b>\$ (9,345)</b> | <b>\$ 110,947</b> | <b>\$ (246,785)</b> | <b>\$ 287,682</b> | <b>\$ 47,783</b> |

See accompanying notes to financial statements.

# DEEP RIVER & DISTRICT COMMUNITY FOUNDATION

## Statement of Changes in Fund Balances

(Unaudited)

Year ended December 31, 2023, with comparative figures for 2022

|  | Externally<br>Restricted<br>Endowment<br>Fund | Restricted<br>Funds | Unrestricted     | Total<br>2023       | Total<br>2022       |
|--|---|---------------------|------------------|---------------------|---------------------|
| Balance, beginning of year                                 | \$ 1,323,240                                  | \$ 76,338           | \$ 24,608        | \$ 1,424,186        | \$ 1,632,533        |
| Excess of revenue over expenses<br>(expenses over revenue) | 287,682                                       | 110,947             | 10,249           | 408,878             | (208,347)           |
| Interfund transfers  | 25,018  | (28,509)            | 3,491            | -                   | -                   |
| <b>Balance, end of year</b>                                | <b>\$ 1,635,940</b>                           | <b>\$ 158,776</b>   | <b>\$ 38,348</b> | <b>\$ 1,833,064</b> | <b>\$ 1,424,186</b> |

See accompanying notes to financial statements.

# DEEP RIVER & DISTRICT COMMUNITY FOUNDATION

## Statement of Changes in Financial Position (Unaudited)

Year ended December 31, 2023, with comparative figures for 2022

|   | General<br>Fund<br>2023 | Restricted<br>Funds<br>2023 | Endowment<br>Funds<br>2023 | Total<br>2023 | Total<br>2022 |
|---|-------------------------|-----------------------------|----------------------------|---------------|---------------|
| Cash provided by (used in):                               |                         |                             |                            |               |               |
| Operations:   |                         |                             |                            |               |               |
| Cash received from donors and members                     | \$ 34,921               | \$ 89,529                   | \$ 287,682                 | \$ 412,132    | \$ 95,652     |
| Cash paid to suppliers and spent on charitable activities | (27,824)                | (150,679)                   | -                          | (178,503)     | (119,032)     |
| Interest and dividend income                              | 32                      | 42,604                      | -                          | 42,636        | 33,973        |
| Gain (loss) on sale of investments                        | -                       | 35,764                      | -                          | 35,764        | (19,160)      |
| Unrealized gain (loss) on investments                     | -                       | 112,400                     | -                          | 112,400       | (183,998)     |
| Investment fees paid                                      | -                       | (13,032)                    | -                          | (13,032)      | (15,761)      |
|   | 7,129                   | 116,586                     | 287,682                    | 411,397       | (208,326)     |
| Financing:  |                         |                             |                            |               |               |
| Interfund transfers                                       | 3,491                   | (28,509)                    | 25,018                     | -             | -             |
| Decrease in long term receivable                          | -                       | -                           | 4,668                      | 4,668         | 4,529         |
|   | 3,491                   | (28,509)                    | 29,686                     | 4,668         | 4,529         |
| Increase (decrease) in cash position                      | 10,620                  | 88,077                      | 317,368                    | 416,065       | (203,797)     |
| Cash position, beginning of year                          | 26,495                  | 73,589                      | 1,318,572                  | 1,418,656     | 1,622,453     |
| Cash position, end of year                                | \$ 37,115               | \$ 161,666                  | \$ 1,635,940               | \$ 1,834,721  | \$ 1,418,656  |
| Represented by:   |                         |                             |                            |               |               |
| Cash  | \$ 40,778               | \$ 110,526                  | \$ -                       | \$ 151,304    | \$ 28,507     |
| Investments   | -                       | 47,477                      | 1,635,940                  | 1,683,417     | 1,390,149     |
|   | \$ 40,778               | \$ 158,003                  | \$ 1,635,940               | \$ 1,834,721  | \$ 1,418,656  |

See accompanying notes to financial statements.

# DEEP RIVER & DISTRICT COMMUNITY FOUNDATION

Notes to Financial Statements  
(Unaudited)

Year ended December 31, 2023

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Deep River and District Community Foundation is a charitable public foundation incorporated without share capital under the Canada Not-for-Profit Corporations Act. The organization's object is to improve the quality of life for every resident of the municipalities of Deep River, Laurentian Hills, Head, Clara & Maria and Rapides-des-Joachims by supporting social services, promoting arts and cultural activities, and by advancing education and medical services. The organization is a registered charity under The Income Tax Act and accordingly is exempt from income taxes provided certain requirements of The Income Tax Act are met.

## 1. Significant accounting policies:

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

### (a) Fund accounting:

Deep River and District Community Foundation follows the restricted fund method of accounting for contributions.

The Restricted Funds reports the investment income earned on the various Endowment Funds according to the restrictions imposed by the contributors of the funds for endowment. The Restricted Funds also reports internally restricted funds.

The General Fund accounts for the organizations' program delivery and administrative activities. This fund reports unrestricted resources.

The Endowment Fund reports resources contributed for endowment. Investment income earned on resources of the Endowment Fund is reported in the Restricted Funds or General Fund depending on the nature of any restrictions imposed by contributors of the funds for endowment.

### (b) Revenue recognition:

Restricted contributions related to general operations are recognized as revenue of the General Fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate restricted fund.

Unrestricted contributions are recognized as revenue of the General Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Contributions for endowment are recognized as revenue in the Endowment Fund.

# DEEP RIVER & DISTRICT COMMUNITY FOUNDATION

Notes to Financial Statements  
(Unaudited)

Year ended December 31, 2023

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## 1. Significant accounting policies (continued):

Restricted investment income earned on Endowment Fund resources is recognized as revenue of the Restricted Funds according to the restrictions imposed by the contributors of the funds for endowment. Unrestricted investment income earned on Endowment Fund resources is recognized as revenue of the General Fund. Other investment income is recognized as revenue of the General Fund when earned.

### (c) Cash:

Cash includes cash on hand and cash on deposit net of cheques issued and outstanding at the reporting date.

### (d) Expenditure recognition:

Expenses are reported on the accrual basis of accounting. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

### (e) Financial Instruments:

#### i) Measurement of financial instruments

The Foundation initially measures its financial assets and financial liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument.

The Foundation subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in the statements of operations in the period incurred. Financial assets measured at amortized cost include cash, amounts receivable, prepaid expenses and fixed income investments.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.



# DEEP RIVER & DISTRICT COMMUNITY FOUNDATION

Notes to Financial Statements  
(Unaudited)

Year ended December 31, 2023

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## 1. Significant accounting policies (continued):

### ii) Impairment:

At the end of each reporting period, the Foundation assesses whether there are any indications that a financial asset measured at amortized cost may be impaired. Objective evidence of impairment includes observable data that comes to the attention of the Foundation, including but not limited to the following events: significant financial difficulty of the issuer; a breach of contract, such as a default or delinquency in interest or principal payments; or bankruptcy or other financial reorganization proceedings.

When there is an indication of impairment, the company determines whether a significant adverse change has occurred during the period in the expected timing or amount of future cash flows from the financial asset.

When the Foundation identifies adverse change in the expected timing or amount of future cash flows from a financial asset, it reduces the carrying amount of the asset to the highest of the following:

- i) the present value of the cash flows expected to be generated by holding the asset discounted using a current market rate of interest appropriate to the asset;
- ii) the amount that could be realized by selling the asset at the statement of financial position date; and
- iii) the amount the Foundation expects to realize by exercising its rights to any collateral held to secure repayment of the asset net of all costs necessary to exercise those rights.

The carrying amount of the asset is reduced directly or through the use of an allowance account. The amount of the reduction is recognized as an impairment loss in the statements of operations.

When the extent of impairment of a previously written-down asset decreases and the decrease can be related to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed.

### (f) Use of estimates:

The preparation of financial statements in conformity with Canadian standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

# DEEP RIVER & DISTRICT COMMUNITY FOUNDATION

Notes to Financial Statements  
(Unaudited)

Year ended December 31, 2023

## 1. Significant accounting policies (continued):

### (g) Contributed services:

Volunteers contribute a significant amount of time to assist Deep River and District Community Foundation in carrying out its activities. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

## 2. Cash:

|                                | 2023       |    | 2022    |
|--------------------------------|------------|----|---------|
| Cash on deposit                | \$ 165,071 | \$ | 36,367  |
| Cheques issued and outstanding | (14,455)   |    | (8,800) |
| Outstanding deposits           | 688        |    | 940     |
|                                | \$ 151,304 | \$ | 28,507  |

## 3. Investments (at market value):

|                  | 2023         |    | 2022      |
|------------------|--------------|----|-----------|
| Cash accounts    | \$ 13,495    | \$ | 25,166    |
| Fixed Income     | 362,287      |    | 561,620   |
| Corporate Equity | 1,307,635    |    | 803,363   |
|                  | \$ 1,683,417 | \$ | 1,390,149 |

The Foundation is exposed to market risk on its publicly traded investments as described in note 6.

# DEEP RIVER & DISTRICT COMMUNITY FOUNDATION

Notes to Financial Statements  
(Unaudited)

Year ended December 31, 2023

## 4. Restricted Funds:

Externally restricted:

|   | Balance<br>January 1<br>2023 | Income     | Transfers and<br>Expenditures | Balance<br>December 31<br>2023 |
|---|------------------------------|------------|-------------------------------|--------------------------------|
| Community Fund  | \$ 7,078                     | \$ 18,885  | \$ (7,098)                    | \$ 18,865                      |
| Four Seasons Fund   | 1,839                        | 3,527      | -                             | 5,366                          |
| Deep River Science Academy Scholarship<br>Fund            | 535                          | 769        | (535)                         | 769                            |
| Elizabeth Hulbert Memorial Fund                           | 2,935                        | 822        | -                             | 3,757                          |
| Milton Family Fund  | 8,928                        | 9,875      | (8,822)                       | 9,981                          |
| MHS Reunion Award Fund                                    | 400                          | 491        | (400)                         | 491                            |
| The Original Six Hockey Fund                              | 6,478                        | 697        | (2,000)                       | 5,175                          |
| Mary Moore Ecological Fund                                | 8,891                        | 5,552      | (8,500)                       | 5,943                          |
| Rotary Club of North Renfrew Fund                         | 281                          | 494        | (775)                         | -                              |
| Foundation Development Fund                               | 287                          | 515        | (287)                         | 515                            |
| Arts and Education Fund                                   | 222                          | 305        | (222)                         | 305                            |
| The North Renfrew Family Services Fund                    | 2,115                        | 3,929      | (2,115)                       | 3,929                          |
| Library Endowment Fund                                    | 601                          | 1,090      | (602)                         | 1,089                          |
| Environmental Legacy Fund                                 | 493                          | 876        | (500)                         | 869                            |
| Mary-Jane and Bob Brown Memorial Fund                     | 118                          | 212        | (118)                         | 212                            |
| W. G. Cross Concert Piano Fund                            | 1,679                        | 419        | -                             | 2,098                          |
| Order of the Eastern Star (Pembroke #288)<br>Bursary Fund | 488                          | 827        | (330)                         | 985                            |
| Jean and Bruce Bigham Student Activity<br>Fund            | 898                          | 590        | (898)                         | 590                            |
| Deep River Area Health Care Fund                          | 246                          | 413        | (247)                         | 412                            |
| Renfrew County United Way Fund                            | 161                          | 223        | (384)                         | -                              |
| Laura Alice Cooper Memorial<br>Cuthbert Family Fund       | 2,204                        | 1,452      | (2,204)                       | 1,452                          |
| Tucker Tennant Fund                                       | 357                          | 856        | (357)                         | 856                            |
| Bourns Vocal Student Support Fund                         | 304                          | 895        | (304)                         | 895                            |
| Hinds Family Fund   | 4,185                        | 411        | -                             | 4,596                          |
| Beth and Ivan Ophel Memorial Fund                         | 816                          | 3,949      | (816)                         | 3,949                          |
| Women's Day Fund  | 138                          | 288        | (138)                         | 288                            |
| Community Emergency Fund                                  | 203                          | 1,238      | (203)                         | 1,238                          |
| Murphy Fund   | -                            | 233        | (233)                         | -                              |
| Flow Through Donations                                    | -                            | 54         | -                             | 54                             |
| Direct Charitable   | 3,754                        | 83,681     | (67,510)                      | 19,925                         |
|   | 19,704                       | -          | (2,825)                       | 16,879                         |
|   | \$ 76,338                    | \$ 143,568 | \$ (108,423)                  | \$ 111,483                     |

# DEEP RIVER & DISTRICT COMMUNITY FOUNDATION

Notes to Financial Statements  
(Unaudited)

Year ended December 31, 2023

## 4. Restricted Funds (continued):

Internally restricted:

|                               | Balance<br>January 1<br>2023 | Income            | Transfers and<br>Expenditures | Balance<br>December 31<br>2023 |
|-------------------------------|------------------------------|-------------------|-------------------------------|--------------------------------|
| Reserve Fund                  | \$ -                         | \$ -              | \$ 47,293                     | \$ 47,293                      |
|                               | \$ -                         | \$ -              | \$ 47,293                     | \$ 47,293                      |
| <b>Total Restricted Funds</b> | <b>\$ 76,338</b>             | <b>\$ 143,568</b> | <b>\$ (61,130)</b>            | <b>\$ 158,776</b>              |

# DEEP RIVER & DISTRICT COMMUNITY FOUNDATION

Notes to Financial Statements  
(Unaudited)

Year ended December 31, 2023

## 5. Externally restricted endowment funds:

|   | Balance<br>January 1<br>2023 | Additions<br>(transfers) | Balance<br>December 31<br>2023 |
|---|------------------------------|--------------------------|--------------------------------|
| Community Fund  | \$ 442,095                   | \$ 18,287                | \$ 460,382                     |
| Four Seasons Fund   | 82,990                       | 1,868                    | 84,858                         |
| Deep River Science Academy Scholarship Fund               | 18,753                       | (1,558)                  | 17,195                         |
| Elizabeth Hulbert Memorial Fund                           | 19,339                       | 435                      | 19,774                         |
| Milton Family Fund  | 164,718                      | 208,145                  | 372,863                        |
| MHS Reunion Award Fund                                    | 12,246                       | (1,840)                  | 10,406                         |
| The Original Six Hockey Fund                              | 16,402                       | 369                      | 16,771                         |
| Mary Moore Ecological Fund                                | 130,645                      | 2,939                    | 133,584                        |
| Rotary Club of North Renfrew Fund                         | 11,624                       | (11,624)                 | -                              |
| Foundation Development Fund                               | 12,127                       | 272                      | 12,399                         |
| Arts and Education Fund                                   | 7,182                        | 161                      | 7,343                          |
| The North Renfrew Family Services Fund                    | 92,446                       | 2,080                    | 94,526                         |
| Library Endowment Fund                                    | 25,635                       | 576                      | 26,211                         |
| Environmental Legacy Fund                                 | 20,601                       | 464                      | 21,065                         |
| Mary-Jane and Bob Brown Memorial Fund                     | 4,989                        | 113                      | 5,102                          |
| W. G. Cross Concert Piano Fund                            | 9,873                        | 222                      | 10,095                         |
| Order of the Eastern Star (Pembroke #288)<br>Bursary Fund | 19,705                       | (62)                     | 19,643                         |
| Jean and Bruce Bigham Student Activity Fund               | 13,886                       | 312                      | 14,198                         |
| Deep River Area Health Care Fund                          | 9,704                        | 218                      | 9,922                          |
| Renfrew County United Way Fund                            | 5,257                        | (5,257)                  | -                              |
| Laura Alice Cooper Memorial Fund                          | 33,506                       | 2,116                    | 35,622                         |
| Ken and Maragret Cuthbert Family Fund                     | 19,766                       | 1,954                    | 21,720                         |
| Thomas "Tucker" Tennant Memorial Fund                     | 20,681                       | 1,973                    | 22,654                         |
| Lorna Bourns Vocal Bursary Fund                           | 9,672                        | 218                      | 9,890                          |
| Hinds Family Fund   | 89,920                       | 38,032                   | 127,952                        |
| Beth and Ivan Ophel Memorial Fund                         | 6,780                        | 248                      | 7,028                          |
| Women's Day Fund  | 22,698                       | 10,288                   | 32,986                         |
| Community Emergency Fund                                  | -                            | 31,751                   | 31,751                         |
| Murphy Fund   | -                            | 10,000                   | 10,000                         |
|   | \$ 1,323,240                 | \$ 312,700               | \$ 1,635,940                   |

# DEEP RIVER & DISTRICT COMMUNITY FOUNDATION

Notes to Financial Statements  
(Unaudited)

Year ended December 31, 2023

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## 6. Financial instruments:

The carrying value of the cash, investments, accounts payable and accrued liabilities and managed funds approximate the fair value due to the short-term nature of the financial assets and liabilities.

All managed funds are non-interest bearing. Consequently the debt risk exposure is not significant.

### Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of currency risk, interest rate risk and other price risk.

### Currency Risk

Currency risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate relative to the Canadian dollar due to changes in foreign exchanges. The Foundation uses Edward Jones to manage its investment portfolio. Edward Jones monitors the investments daily and adjusts the portfolio to manage currency risk.

### Interest Rate Risk

Interest rate risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate due to changes in market interest rates. The foundation has no interest bearing liabilities.

The primary objective of the Foundation with respect to its investments in fixed income investments is to ensure the security of principal amounts invested and provide for a high degree of liquidity, while achieving a satisfactory investment return.

The Foundation manages the interest rate risk exposure of its fixed income investments by using a laddered portfolio with varying terms of maturity. The laddered structure of maturities helps to enhance the average portfolio yield while reducing the sensitivity of the portfolio to the impact of interest rate fluctuations.

# DEEP RIVER & DISTRICT COMMUNITY FOUNDATION

Notes to Financial Statements  
(Unaudited)

Year ended December 31, 2023

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## 6. Financial instruments (continued):

### Other Price Risk

Other price risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate because of changes in market prices (other than those arising from currency risk or interest rate risk), whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all similar instruments traded in the market.

The Foundation uses Edward Jones to manage its investment portfolio. The investment policy provides for an asset mix of 55% equities and 45% fixed income investments and is monitored monthly. Risk and volatility of investment returns are mitigated through diversification of investments.

## 7. Comparative figures:

Certain of the 2022 comparative figures have been reclassified to conform with the financial presentation adopted in 2023.

## 7. Professional fees

The professional fees expense includes the cost of the public accountant, the treasurer and the executive director.